

Washington DC- Rep. Dan Lungren (R-CA) offered a bipartisan amendment to HR 4626 - Health Insurance Industry Antitrust Enforcement Act - that sparked heated debate on the House Floor. Using bipartisan language from former Judiciary Chairman Jack Brooks (D-TX), Lungren's amendment was passed out of the Judiciary Committee with unanimous support. However, Rep. Lungren's amendment was stripped from the legislation by the House Leadership and the Rules Committee refused to allow the Lungren amendment to be debated on the House Floor. Lungren released the following statement:

"I do not believe that the insurance industry should be exempt from our nation's antitrust laws. I worked with my colleagues on our Judiciary Committee to produce a bi-partisan bill which included my amendment to allow small businesses to share historical loss data. The amendment was adopted unanimously by the Judiciary Committee and was included in section 262 of the health care legislation which passed the House of Representatives. My amendment reflected the language from legislation introduced by former Chairman of the House Judiciary Committee Jack Brooks in the 101<sup>st</sup>, 102<sup>nd</sup>, and 103<sup>rd</sup> Congresses.

"Most businesses look to data on past transactions in order to enable them to price their products. And here is the rub-it is the small companies which depend on the availability of this information the most. Smaller businesses simply do not have a sufficiently large volume of information to price their products efficiently. It is for this reason that it is of the utmost importance that these business owners have the ability to share historical data. In this regard, a Congressional Research Service Report by Janice Rubin and Baird Webel raises the possibility that were such data not available to small insurance companies we might see the ironic outcome of further consolidation in the insurance industry. My amendment makes it very clear that only the sharing of past transactions is permitted and that insurance companies may not collaborate to set prices."

*The American Bar Association has supported the collection of historical data as embodied in the Lungren Amendment. Lungren supported H.R. 4626 on final passage.*

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Congressman Dan Lungren serves as Ranking Member on the House Administration Committee in addition to serving on the Judiciary and Homeland Security Committees